

June 17, 2015

Federal Election Commission  
Office of Complaints Examination & Legal Administration  
Attn: Mary Beth deBeau  
999 E Street, N.W.  
Washington, DC 20436

Re: RR 15L-12

Dear Ms. deBeau

The House Conservatives Fund (HCF) and Lisa Lisker, as treasurer, hereby respond by counsel to the Reports Analysis Division Referral 15L-12, dated May 8, 2015.

The referral accurately states the facts contained therein, which describe HCF's receipt of a partial restitution check via the U.S. Treasury, which HCF disclosed in its 2014 Year-End Report, as well as an amendment when the Treasury Department disclosed to the treasurer more information. Lisa Lisker Declaration, ¶ 3.

HCF had retained an outside "caging" vendor, Stonewood Marketing, owner Ken Pate, to process all contributions HCF received by direct mail. ¶ 4. The vendor facilitated the embezzlement of HCF's funds by opening, and depositing contribution checks into, a separate bank account in HCF's name, for which he had signature authority. ¶ 5.

HCF's treasurer discovered the theft when a contributor to another client, which had retained the same vendor, indicated that she had not received a customary thank-you acknowledgment for her contribution. The treasurer had been unaware of this or any other embezzled contribution. ¶ 6. Review of the contributor's cancelled check and follow-up with the client's bank revealed the aforementioned method of embezzlement of both the other client's and HCF's funds. ¶ 7.

To date, the Treasury Department has not disclosed to HCF the embezzled contributions. HCF will file an amended report(s) when it receives contributor data. ¶ 8. HCF has since retained another caging vendor to process direct mail contributions, which does not have signature authority. ¶ 9.

Given that HCF has taken measures to prevent future embezzlement by its direct mail processing vendor, and nothing more can be done short of frustrating the purpose in retaining a direct mail processor vendor, the committee requests that the referral be dismissed with a

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Squire Patton Boggs (US) LLP

June 25, 2015

finding that there is no reason to believe that the committee or its treasurer violated the Federal Election Campaign Act, as amended.

Best regards,

Squire Patton Boggs (US) LLP

A handwritten signature in black ink, appearing to read "Glenn M. Willard". The signature is written in a cursive, flowing style.

Glenn M. Willard